

# THE OHIO FOOD STORE

## BUSINESS SUMMARY AND ANALYSIS

COOPERATIVE EXTENSION SERVICE  
THE OHIO STATE UNIVERSITY

OHIO BUSINESS SUMMARY AND ANALYSIS OF INDEPENDENT  
FOOD STORES, 1967

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This business summary and analysis of 31 food stores in Ohio was generated from financial statements, management interviews, and data collection in each of the stores. The financial information is from stores' financial statements covering their most recent fiscal year over the period from late 1965 to mid 1967.

A simplified flow chart for making a profit and investment analysis is featured in this summary. The financial section includes an operating statement based on the most recent fiscal year and a balance sheet indicating assets, liabilities and balance sheet ratios.

Department operating ratios identify some significant areas for which comparisons of individual stores may be made. The operating data summary gives additional information which may be helpful when interpreting the financial summary and operating ratios.

This summary of retail food store operation---

1. Compares average operating results of all stores in the summary with the most profitable group and the least profitable group.

2. Presents variations in income, expenses, department sales, gross margins, labor utilization, policy, space allocation, and facilities for this group of stores.

3. Provides the store managers with a simple method of evaluating their own operations based on the financial and operating standards developed from averages of the stores in the study.

4. Enables those who work with food retailers to gain knowledge about retail operations and become more aware of critical areas.

All expenses incurred in actual store operations have been included. For example, where proprietorships did not list a salary for their managerial function, a salary was computed and listed as an expense. Expenses and returns for real estate investments not used in the business were removed. Where real estate was owned and a part of the business, expenses concerned with real estate were converted to a fair rental figure. Net operating profit, then, is the difference between total sales and total operating costs and refers only to the return on total capital invested in the business.

Sales volume of the stores in the summary varied from about \$12,000 per week to \$80,000 but the typical store had about \$22,000 sales per week.

Special acknowledgement is given the cooperating owners, managers, accountants and wholesalers for their cooperation. Acknowledgements are also due to Jack Hollrah and Eric Oesterle of Purdue University for their cooperation in the use of Purdue's computer program.

1967 Store Profitability

The average of all stores' net operating profit was 1.1 percent of sales. The most profitable stores (25 percent of the total who showed greatest profits) had a net operating income of 3.4 percent of sales. The least profitable group had a net

operating loss of 7.8 percent of sales. These are before-tax figures. The wide differences in income ratios were a result of lower operating expenses and higher gross margins for the most profitable stores. The most profitable group also had significantly higher sales per square foot of store area.

### Differences Between High & Low Profit Operations

#### Basis for Classifying

The Most Profitable group includes 25% of the stores which had the highest net operating income expressed as a percent of sales. Similarly the Least Profitable group included 25% of the stores having the lowest net operating profit.

#### Gross Margins & Expenses

Gross margins for the most profitable stores were 2.16 percent higher than for the least profitable group. In addition to a higher gross, operating expenses were 2.07 percent lower for the most profitable group. All classification of controllable expenses were a smaller part of the sales dollar for the most profitable group, except the manager's salary. Most non-controllable expenses were also lower for the most profitable group. The most profitable group had .89 percent lower controllable expenses and 1.18 percent non-controllable expenses for a total of 2.07 percent lower operating expenses on a sales dollar basis.

#### Department Sales Mix & Gross Margins

As a percentage of total sales, the most profitable stores had more sales in the meat department and lower sales in the grocery department. Produce sales were the same. Gross margins on groceries were significantly higher in the most profitable stores, 15.5 percent contrasted with 13.1 percent for the least profitable stores. Meat margins were

1.8 percent higher for the profitable stores. Produce margins were 27.1 percent for the most profitable stores, compared with 26.6 percent for the least profitable group.

#### Inventory Turnover

Total inventories turned 4.1 more times in the most profitable group. More sales were generated from basic inventories. This may reflect a combination of better management, more favorable delivery schedules and more sales per square foot of store area.

#### Sales Per Man Hour

Normal expectations would indicate higher sales per man hour for the most profitable group. This was not true for these stores. Labor expenses as a percentage of department sales were lower for the most profitable group.

#### Sales Per Square Foot Of Total Store

Most profitable operations had smaller stores than the low profit operations. Sales per square foot were higher for the most profitable group. There was little variation between parking area to total store area.

#### Weekly Sales to Linear Footage of Display Equipment

The most profitable stores had higher sales per linear foot of equipment. This was true for all departments. The least profitable group's total store average was \$3.10 less per linear foot of display equipment.

#### Return On Investment

The investment in fixtures and equipment per square foot of total store area was higher for the most profitable group. The return on total investment was 29.14 percent for the most profitable operations compared with a -8.02 percent for the least profitable.

## RATIO RELATIONSHIPS

The operating ratio averages do not indicate the range of the key indicators on individual store operations. For instance, gross margins on groceries in one operation may be a low 11% and still return a profit if the number of inventory turns, sales per square foot and sales per man hour are high. Neither is there a direct indication of the impact of features, product space allocation, merchandising skill or control of shrink except as these are reflected in operating profits.

## Definition Of Accounting Terms

### Financial Summary

#### Total Sales

Total gross receipts from three departments. Does not include receipts from eggs wholesaled, frozen food locker rentals, snack bars, or from leased departments.

#### Cost of Sales

Delivered cost of food items offered for resale. Includes freight and/or the "cost plus" charge of wholesalers, minus any membership and/or advertising charges. Does not include cash discounts on purchases, advertising rebates and allowances, or quantity and trade discounts.

#### Employee Wages

Includes (1) wages and bonuses of all hired employees except the store manager and assistant manager not directly in charge of a food department, (2) estimated wage of owner's wife or other unpaid family members who may work in the store (such "wages" based on wages of paid employees in similar jobs), (3) estimated wages of one partner in a partnership where both partners contribute full time to total labor inputs. Salary of other partner listed under "manager's salary." Estimated wage

based on the wage of the highest paid employee, plus additional 10 percent of this amount.

#### Manager's Salary

(1) Hired manager, includes salary and bonuses of hired manager and assistant manager not in direct charge of a food department, (2) Owner-operator includes estimated salary of owner-operator based on highest paid employee plus an additional 10 percent of this wage, (3) Corporation--includes salaries of officers only when active in management of the business.

#### Administrative Expenses

Cost of supervisory and administrative personnel in organizations of two or more stores.

#### Rent

Actual building and land (including parking lot) rental expense. In instances of ownership, the owner-operator's estimate of rental value of property is used.

#### Taxes, Insurance, Repairs and Depreciation

Where ownership of building and land necessitate the use of the owner-operator's estimate of the rental value (see rent), taxes, insurance, repairs, and depreciation are overstated and are adjusted for the amount of these expenses related to the building and land.

#### Net Operating Profit

Return to total capital (owner's equity and borrowed capital) invested in the business. Residual of gross margin minus those expenses directly incurred in the operation of the firm.

#### Interest

Cost of borrowed capital. (See Balance Sheet definitions.)

Other Income

Cash discounts on purchases; advertising rebates and allowances on quantity and trade discounts; money orders, rental income, etc.

Departmental Operating Ratios

Grocery Department

All items excluding those itemized under meat; produce sales.

Meat Department

All meat items, fresh and smoked; only canned hams and picnics; frozen poultry, fish and meats.

Produce Department

Fresh fruits and vegetables.

Inventory Turnover

Cost of goods sold divided by average inventory.

Departmental Labor Expense

Includes inputs of manager to departmental labor.

Total Wages and Salary

Wages of personnel and manager's salary.

Wage Cost Per Hour

$$\frac{\text{Weekly Wage Cost}}{\text{Weekly Hourly Inputs}}$$

Measure of labor productivity in terms of wage costs.

Sales Per Man Hour

$$\frac{\text{Weekly Sales (Dollars)}}{\text{Total Dollars}}$$

Measure of labor productivity in terms of sales.

Summary of Assets and Liabilities (Balance Sheets)

Current Ratio

Current Assets (Cash, accounts receivable, inventory)

Current Liabilities (Accounts payable, notes and loans due in less than one year)

Ratio of current assets available to cover current obligations.

Quick Ratio

$$\frac{\text{Cash}}{\text{Current Liabilities}}$$

Ratio of actual cash on hand to cover current obligations. Differs from current ratio in that it does not include accounts receivable or inventory, assets which are not always readily converted into cash.

Sales to Total Assets

$$\frac{\text{Total Yearly Sales}}{\text{Total Assets}}$$

Ratio commonly called capital turn ratio or dollars of sales generated from one dollar of investment.

Sales to Current Assets or Sales to Fixed Assets

$$\frac{\text{Total Yearly Sales (Dollars)}}{\text{Total Fixed or Total Current Assets (Dollars)}}$$

Percent Return on Total Investment

$$\frac{\text{Net Operating Profit (Dollars)}}{\text{Total Investment (Owner's Equity and Borrowed Capital: Dollars)}}$$

Percent Return On Owner's Equity

$$\frac{\text{Net Operating Profit(Dollars)} - \text{Interest Expense(Dollars)}}{\text{Owner's Equity(Dollars)}}$$

Ratio of residual of all expenses, direct and indirect, incurred in the operation of the firm, to owner's equity.

Operating Data Summary

Inventory Investment Per Selling Area

$$\frac{\text{Inventory(Dollars)}}{\text{Selling Area(Square Foot)}}$$

Parking Area Per Square Foot Store Area

$$\frac{\text{Parking Area(Square Feet)}}{\text{Total Store Area(Square Feet)}}$$

For example: "X" square feet of parking area for every 1 square foot of store area.

Weekly Sales Per Checkout

$$\frac{\text{Weekly Sales}}{\text{Number of Checkouts}}$$

For example: \$X weekly sales for every checkout.

Sales Per Hour Open

$$\frac{\text{Weekly Sales(Dollars)}}{\text{Total Hours}}$$

Cooler-Display Ratio

$$\frac{\text{Display(Linear Feet)}}{\text{Cooler Area(Square Feet)}}$$

For example: One square foot of cooler for every X linear feet of display (by department).

Cooler-Sales Ratio

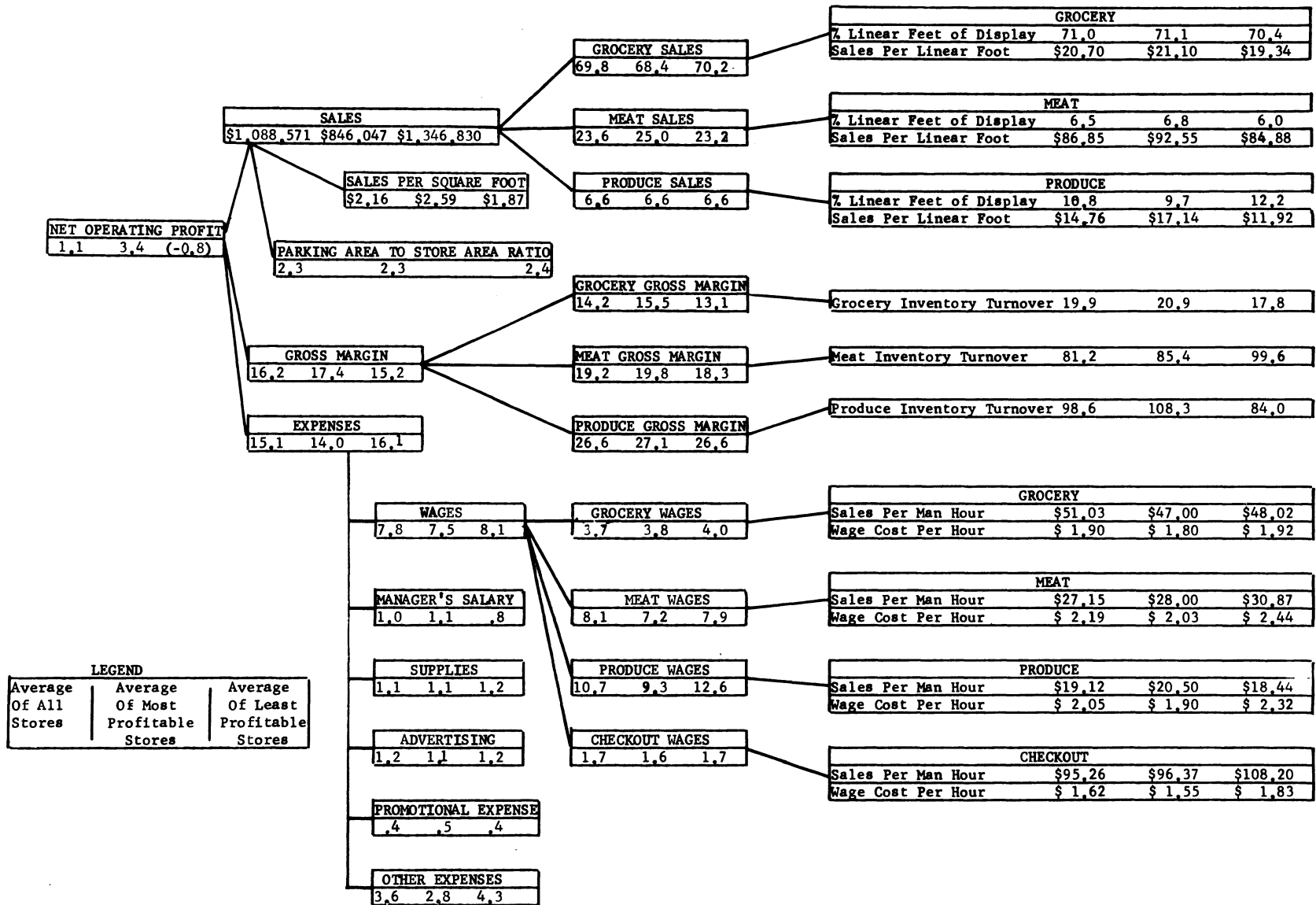
$$\frac{\text{Weekly Sales(Dollars)}}{\text{Cooler Area(Square Feet)}}$$

Sales Per Linear Foot of Display Equipment

$$\frac{\text{Weekly Department Sales}}{\text{Linear Footage of Display Equipment}}$$

Grocery department includes all display fixtures except those in the meat and produce departments.

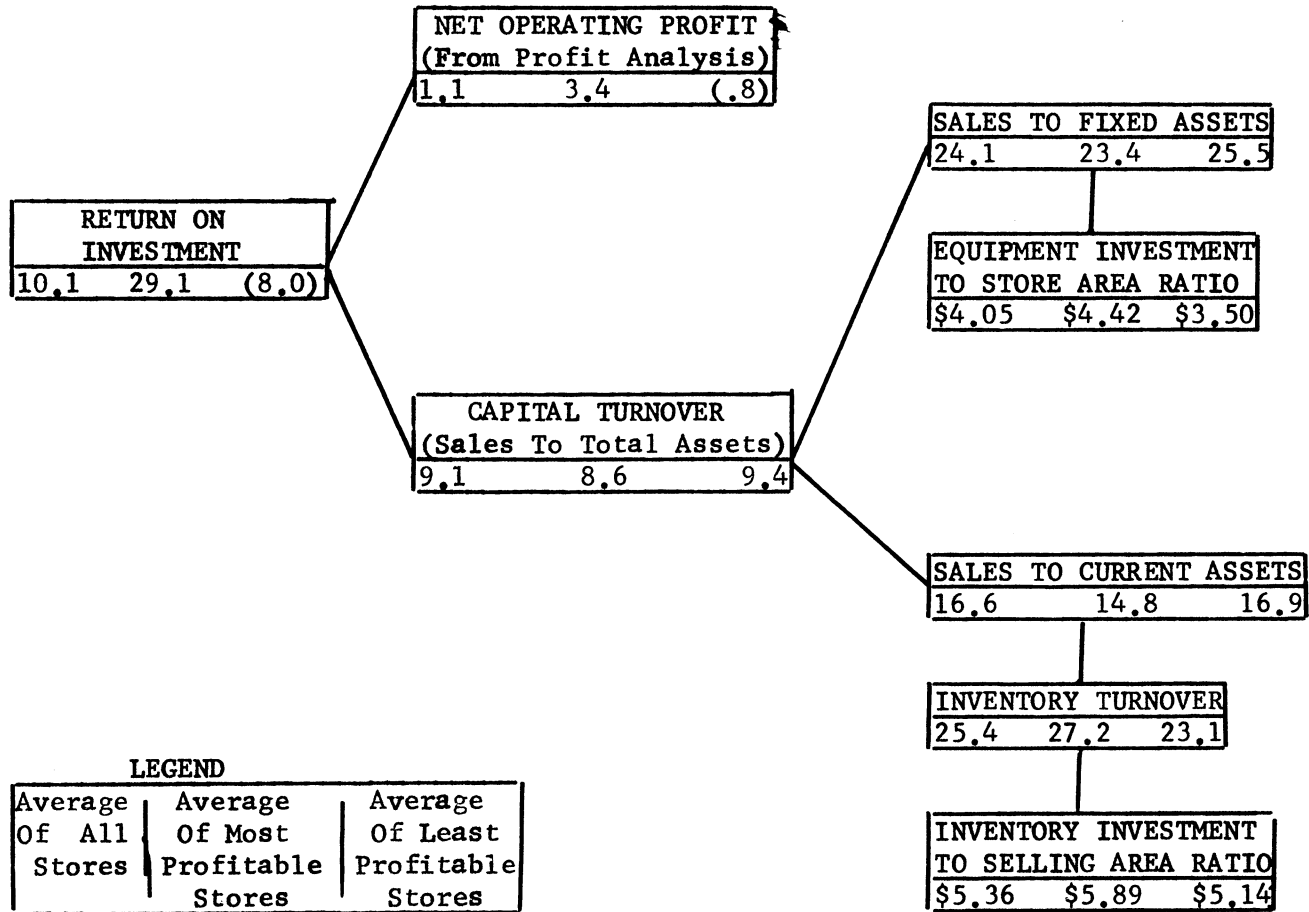
SUPERMARKET PROFIT ANALYSIS



**LEGEND**

Average Of All Stores	Average Of Most Profitable Stores	Average Of Least Profitable Stores
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SUPERMARKET INVESTMENT  
ANALYSIS





FINANCIAL SUMMARY

	Average of 31 Stores		Average of 8 Most Profitable		Average of 8 Least Profitable	
<u>Sales</u>	\$1,088,571	100.0%	\$846,047	100.0%	\$1,346,830	100.0%
<u>Cost of Goods Sold</u>	912,492	83.8	699,088	82.6	1,141,983	84.8
<u>Gross Margin</u>	\$ 176,079	16.2%	\$146,959	17.4%	\$ 204,847	15.2%
<u>Expenses</u>						
Controllable Expenses						
Wages	\$ 70,404	6.5%	\$ 50,204	5.9%	\$ 92,465	6.8%
Manager's Salary	10,399	1.0	8,950	1.1	11,087	0.8
Assistant Manager's Salary	4,551	0.4	4,013	0.5	5,525	0.4
Administrative	4,196	0.4	1,118	0.1	7,356	0.6
Advertising	12,779	1.2	8,348	1.1	15,761	1.2
Promotion	4,433	0.4	4,162	0.5	5,460	0.4
Supplies	12,076	1.1	9,195	1.1	16,473	1.2
Repairs, Maintenance	2,659	0.2	1,754	0.2	3,066	0.2
Other Expenses	4,865	0.5	6,584	0.8	5,235	0.4
Total Controllable Expenses	\$ 126,362	11.6%	\$ 94,328	11.2%	\$ 162,428	12.0%
Non-Controllable Expenses						
Rent	\$ 10,687	1.0%	\$ 6,241	0.7%	\$ 17,270	1.3%
Taxes	6,956	0.7	4,288	0.5	9,675	0.7
Insurance	2,876	0.3	2,276	0.3	4,259	0.3
Depreciation	8,024	0.7	4,288	0.5	10,983	0.8
Utilities	8,054	0.7	5,880	0.7	10,423	0.8
Accounting and Legal	1,082	0.1	946	0.1	1,319	0.1
Total Non-Controllable Expenses	\$ 37,679	3.5%	\$ 23,919	2.8%	\$ 53,929	4.0%
Total Operating Expenses	\$ 164,041	15.1%	\$118,247	14.0%	\$ 216,357	16.1%
<u>Net Operating Profit</u>	\$ 12,038	1.1%	\$ 28,712	3.4%	\$- 11,510	- 0.8%
Interest Expense	2,165	0.2	686	0.1	2,854	0.2
<u>Net Profit</u>	\$ 9,873	0.9%	\$ 28,026	3.3%	\$- 14,364	- 1.1
Other Income	6,032	0.6	6,270	0.7	12,618	0.9
<u>Income, Before Taxes</u>	\$ 15,905	1.5%	\$ 34,296	4.1%	\$- 1,746	- 0.1

	Average Of 31 Stores		Average Of 8 Most Profitable		Average Of 8 Least Profitable	
<u>Assets</u>						
Current Assets						
Cash	\$ 18,390	15.4%	\$ 19,289	19.6%	\$ 25,090	17.5%
Accounts Receivable	5,224	4.4	5,819	5.9	2,370	1.7
Merchandise Inventory	37,829	31.7	28,454	28.9	48,684	33.9
Other Current Assets	4,253	3.6	3,495	3.6	3,510	2.5
Total Current Assets	\$ 65,696	55.0%	\$ 57,057	57.9%	\$ 79,654	55.5%
Fixed Assets						
Fixtures and Equipment	\$ 39,171	32.8%	\$ 27,698	28.1%	\$ 48,463	33.8%
Leasehold-Improvements	4,008	3.4	6,082	6.2	4,011	2.8
Other Fixed Assets	2,082	1.7	2,371	2.4	425	0.3
Total Fixed Assets	\$ 45,261	37.9%	\$ 36,151	36.7%	\$ 52,899	36.9%
Other Assets	8,400	7.0	5,316	5.4	10,898	7.6
Total Assets	\$119,357	100.0%	\$ 98,524	100.0%	\$143,451	100.0%
<u>Liabilities</u>						
Current Liabilities						
Accounts Payable	\$ 25,909	21.7%	\$ 22,521	22.9%	\$ 38,671	27.0%
Current Notes Payable	10,343	8.7	5,525	5.6	9,882	6.9
Reserve For Taxes	3,628	3.0	4,651	4.7	3,875	2.7
Other Current Liabilities	5,733	4.8	1,489	1.5	7,421	5.2
Total Current Liabilities	\$ 45,613	38.2%	\$ 34,186	34.7%	\$ 59,849	41.7%
Fixed Liabilities						
Contracts Payable	\$ 3,452	2.9%	\$ 1,424	1.5%	\$ 0	0%
Notes Payable	27,030	22.7	12,461	12.7	45,226	31.5
Bonds and Debentures	577	0.5	1,381	1.4	853	0.6
Total Fixed Liabilities	\$ 31,059	26.0%	\$ 15,266	15.5%	\$ 46,079	32.1%
Total Liabilities	76,672	64.2	49,452	50.2	105,928	73.8
Total Net Worth	42,685	35.8	49,072	49.8	37,523	26.2
Total Liabilities, Net Worth	\$119,357	100.0%	\$ 98,524	100.0%	\$143,451	100.0%
<u>Balance Sheet Ratios</u>						
Current Ratio		1.4		1.7		1.3
Quick Ratio		0.4		0.6		0.4
Sales To Total Assets		9.1		8.6		9.4
Sales To Current Assets		16.6		14.8		16.9
Sales To Fixed Assets		24.1		23.4		25.5
Average Inventory Turnover		25.4		27.2		23.1
Investment In Fixtures And Equip. Per Sq. Ft of Store Area		\$4.05		\$4.42		\$3.50
Return on Total Investment		10.1%		29.1%		-8.0%
Return on Owner's Equity		23.1%		57.1%		-38.3%

D E P A R T M E N T A L   O P E R A T I N G   R A T I O S

	Average of 31 Stores	Average Of 8 Most Profitable	Average Of 8 Least Profitable
<u>Sales</u>			
Grocery	69.8%	68.4%	70.2%
Meat	23.6	25.0	23.2
Produce	6.6	6.6	6.6
Total	100.0%	100.0%	100.0%
<u>Gross Margins</u>			
Grocery	14.2%	15.5%	13.1%
Meat	19.2	19.8	18.3
Produce	26.6	27.1	26.6
Total	16.2%	17.4%	15.2%
<u>Inventory Turnover</u>			
Grocery	19.9	20.9	17.8
Meat	81.2	85.4	99.6
Produce	98.6	108.3	84.0
Total	25.4	27.2	23.1
<u>Labor Expense(Percent of Department Sales)</u>			
Grocery	3.7%	3.8%	4.0%
Meat	8.1	7.2	7.9
Produce	10.7	9.3	12.6
<u>Labor Expense(Percent of Total Sales)</u>			
Checkout	1.7	1.6	1.7
Management	0.8	0.8	0.8
Office ,Miscellaneous	0.1	0.0	0.1
Total	7.8%	7.5%	8.1%
<u>Wage Cost Per Hour</u>			
Grocery	\$1.90	\$1.80	\$1.92
Meat	2.19	2.03	2.44
Produce	2.05	1.90	2.32
Checkout	\$1.62	\$1.55	\$1.83
<u>Sales Per Man Hour</u>			
Grocery	\$51.03	\$47.00	\$48.02
Meat	27.15	28.00	30.87
Produce	19.12	20.50	18.44
Checkout	95.26	96.37	108.20
Total	\$25.61	\$25.30	\$26.59

OPERATING DATA SUMMARY

	Average Of 31 Stores		Average Of 8 Most Profitable		Average Of 8 Least Profitable	
<u>Total Store Area(Square Feet)</u>						
Selling Area	6,688	69.1%	4,366	69.6%	9,634	69.5%
Preparation-Storage	2,987	30.9	1,907	30.4	4,227	30.5
Total Store Area	9,675	100.0%	6,273	100.0%	13,861	100.0%
<u>Weekly Sales Per Square Foot</u>						
Total Store	\$2.16		\$2.59		\$1.87	
Selling Area	\$3.13		\$3.73		\$2.69	
<u>Inventory Investment Per Square Foot Selling Area</u>						
(Dollars Per Square Foot)	\$5.36		\$5.89		\$5.14	
<u>Parking Area</u>						
Number of Stores	30		7		8	
Parking Area(Square Feet)	22,511		14,473		33,219	
Parking Area Per Square Foot Store Area	2.3		2.3		2.4	
<u>Display Equipment</u>						
Grocery	620'	71.0%	461'	71.1%	828'	70.4%
Meat	57	6.5	44	6.8	71	6.0
Produce	94	10.8	63	9.7	144	12.2
Dairy	31	3.5	29	4.5	39	3.3
Frozen Foods	54	6.2	37	5.7	72	6.1
Ice Cream	17	1.9	14	2.2	23	1.9
Total	873'	100.0%	648'	100.0%	1,177'	100.0%
<u>Weekly Sales Per Linear Foot Of Display Equipment</u>						
Grocery	\$20.70		\$21.10		\$19.34	
Meat	86.85		92.55		84.88	
Produce	14.76		17.14		11.92	
Total	\$23.98		\$25.11		\$22.01	
<u>Checkout</u>						
Number of Checkouts	3.7		2.9		4.7	
Weekly Sales Per Checkout	\$5,643.09		\$5,659.18		\$5,452.75	
Number of Stores Reporting Express Lane Checkout	2		0		0	
<u>Store Hours</u>						
Days Open Per Week	6		6		6	
Hours Open Per Week	75		73		73	
Sales Per Hour Open(Dollars)	\$280.08		\$222.50		\$352.99	

O P E R A T I N G   D A T A   S U M M A R Y

	Average Of 31 Stores	Average Of 8 Most Profitable	Average Of 8 Least Profitable
<b><u>DISPLAY EQUIPMENT DETAIL</u></b>			
<b><u>Meat Department</u></b>			
Service, No. of Stores	6	2	2
Self Service, No. of Stores	30	7	8
Islands, No. of Stores	7	2	1
Total Lin. Foot. Meat Display	57'	44'	71'
Percent of Lin. Footage-Service	7	9	7
Self Service	87	79	91
Islands	7	12	2
<b><u>Produce Department</u></b>			
Unrefrigerated, No. of Stores	31	8	8
Refrigerated, No. of Stores	31	8	8
Islands, No. of Stores	14	2	6
Total Lin. Foot. of Produce	94'	63'	144'
Percent of Lin. Foot. Unrefrigerated	32	33	32
Refrigerated	36	45	29
Islands	32	22	39
<b><u>Dairy Department</u></b>			
Total Lin. Foot. of Display	31'	29'	39'
Average No. of Shelves	3.7	2.9	3.6
<b><u>Ice Cream</u></b>			
Total Lin. Foot. of Display	17'	14'	23'
Average No. of Shelves	1.2	1.1	1.0
<b><u>Frozen Foods</u></b>			
Total Lin. Foot. of Display	54'	37'	72'
Average No. of Shelves	1.5	1.9	1.0
<b><u>Grocery</u></b>			
Total Lin. Foot. of Display	620'	461'	828'
Average No. of Shelves	4.5	4.9	4.3

O P E R A T I N G   D A T A   S U M M A R Y

	Average Of 31 Stores	Average Of 8 Most Profitable	Average Of 8 Least Profitable
<u>REFRIGERATED STORAGE</u>			
<u>Meat Department</u>			
Cooler Area, Square Footage	195	166	265
Lin. Foot. Display Per Sq. Ft. Cooler	0.3	0.3	0.3
Weekly Sales Per Sq. Ft. Cooler	\$25.35	\$24.48	\$22.72
No. of Stores Reporting	31	8	8
<u>Produce Department</u>			
Cooler Area, Square Footage	92	74	102
Lin. Foot. Display Per Sq. Ft. Cooler	1.0	0.9	1.4
Weekly Sales Per Sq. Ft. Cooler	\$14.96	\$14.64	\$16.81
No. of Stores Reporting	30	8	8
<u>Dairy Department</u>			
Cooler Area, Square Footage	77	59	96
Lin. Foot. Display Per Sq. Ft. Cooler	0.4	0.5	0.4
No. of Stores Reporting	31	8	8
<u>Frozen Foods</u>			
Freezer Area, Square Footage	81	56	89
Lin. Foot. Display Per Sq. Ft. Freezer	0.9	0.9	1.1
No. of Stores Reporting	31	8	8
<u>Other</u>			
Square Feet	23	0	20
No. of Stores Reporting	3	0	2
<u>Duties Performed in Office</u>			
	% of Stores	% of Stores	% of Stores
Express Checkout	3.2	0	0
Cash Checks	41.9	12.5	62.5
Handle Bottles	3.2	0	0
Manager's Office	87.1	87.5	87.5
Other	12.9	0	12.5

O P E R A T I N G   D A T A   S U M M A R Y

	Average Of 31 Stores	Average Of 8 Most Profitable	Average Of 8 Least Profitable
<u>Customer Services Provided</u>			
	% of Stores	% of Stores	% of Stores
Drinking Fountain	64.5	37.5	75.0
Kiddie Corral or Play Area	67.7	75.0	75.0
Lounge or Rest Area	6.5	0	0
Free Coffee	9.7	0	25.0
Recipe Rack	25.8	50.0	12.5
Bulletin Board	41.9	37.5	37.5
Parcel Pickup	16.1	0	37.5
Other	96.8	87.5	100.0
<u>Air Curtain</u>			
	% of Stores	% of Stores	% of Stores
Meat	29.0	25.0	37.5
Produce	32.3	50.0	25.0
Dairy	87.1	87.5	87.5
<u>Cash Register Departments</u>			
	% of Stores	% of Stores	% of Stores
Grocery	100.0	100.0	100.0
Meat	100.0	100.0	100.0
Produce	100.0	100.0	100.0
Dairy	12.9	0	0
Frozen Foods	16.1	0	0
Beverage	0	0	0
Bakery	6.5	0	12.5
Delicatessen	9.7	0	37.5
Non Food	0	0	0
Drug	6.5	0	0
Snackbar	0	0	0
Other	3.2	0	0
<u>Handling Returned Bottles</u>			
	% of Stores	% of Stores	% of Stores
Honor System	54.8	62.5	75.0
Separate Department	3.2	0	12.5
Another Department	25.8	25.0	0
Service Department	6.5	12.5	0
At Checkout	6.5	0	12.5

O P E R A T I N G   D A T A   S U M M A R Y

	Average Of 31 Stores	Average Of 8 Most Profitable	Average Of 8 Least Profitable
<u>Trading Stamps</u>	% of Stores	% of Stores	% of Stores
No Stamps Offered	90.3	87.5	87.5
With Local Stamps	3.2	0	12.5
With Regional Stamps	0	0	0
With National Stamps	6.5	12.5	0
Other	0	0	0
	% of Stores	% of Stores	% of Stores
Job Description In Use	16.1	12.5	25.0
Work Schedule Posted	77.4	87.5	87.5
Written Policy Manual	35.5	50.0	37.5
	% of Stores	% of Stores	% of Stores
Number of Other Stores Owned	1	2	1
Percent Where Owner Is A Manager	80.6	87.5	75.0
<u>Store Operated As--</u>	% of Stores	% of Stores	% of Stores
Corporation	74.2	50.0	100.0
Single Proprietorship	16.1	25.0	0
Partnership	3.2	12.5	0
Husb. & Wife Partner--Wife Inact.	3.2	0	0
Wife An Active Partner	3.2	12.5	0
Number of Competing Stores	4.3	3.1	3.1
<u>Population of Municipality</u>	% of Stores	% of Stores	% of Stores
Under 5,000 Population	25.8	50.0	0
5 - 10,000 Population	12.9	0	25.0
10 - 25,000 Population	32.3	12.5	37.5
25 - 50,000 Population	12.9	12.5	25.0
Over 50,000 Population	16.1	25.0	12.5



O P E R A T I N G   D A T A   S U M M A R Y

	Average Of 31 Stores	Average Of 8 Most Profitable	Average Of 8 Least Profitable
<u>Trading Area</u>	% of Stores	% of Stores	% of Stores
Under 1/2 Mile	0	0	0
1/2 - 1 Mile Radius	16.1	37.5	0
1 - 2 Miles	16.1	0	25.0
2 - 5 Miles	32.3	50.0	37.5
Over 5 Miles	35.5	12.5	37.5
<u>Store Trading Area</u>	% of Stores	% of Stores	% of Stores
Under 5,000 Population	0	0	0
5 - 10,000 Population	12.9	25.0	0
10 - 25,000 Population	58.1	50.0	87.5
25 - 50,000 Population	29.0	25.0	12.5
Over 50,000 Population	0	0	0
<u>Location</u>	% of Stores	% of Stores	% of Stores
Neighborhood	48.4	37.5	50.0
Central Business District	19.4	50.0	0
Shopping Center	12.9	12.5	12.5
Highway	19.4	0	37.5
Discount House	0	0	0